

From: "Telecommunications Reports International Inc."
<custsvc@home.imc.net>
To: KDW.SMTP("trdailylist@brpinc.com")
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TR DAILY
September 11, 1997

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AT&T STUNG BY WIRETAP IN ARGENTINA PCS BID

AT&T Corp. said it is examining its legal options in Argentina after discovering apparent incidents of wiretapping. Tapes of recorded phone conversations involving company personnel have been aired on at least one televised news program in Argentina, and AT&T officials are investigating possible taps of cellular phones and wireline phones at the company's offices and the home of its senior executive in the country, a spokeswoman told TR today. "We're greatly concerned about this breach of security," she said.

Two weeks ago AT&T pulled out of the bidding for a PCS (personal communications service) license in Argentina, but the spokeswoman denied any direct link between that decision and the apparent wiretapping incident. She said AT&T abandoned its bid because its partnership with four Argentine companies fell apart, and AT&T no longer was in a position to follow through with its plans. The partnership had included Banco Galicia, Banco Frances, the newspaper company Clarin Group, and the industrial conglomerate Techint.

AT&T's critics and competitors in Argentina point to the taped conversations aired by broadcasters as evidence that the company was attempting to exercise undue influence over government officials involved in the bidding process. The spokeswoman denied that. "On this occasion, as always, AT&T has pursued the highest ethical corporate practices and standards," she said. "Our participation in the PCS bidding process was undertaken in an open and transparent manner."

She confirmed AT&T had asked Argentina's Secretariat of Telecommunications to delay the Sept. 18 deadline for submitting final bids on the PCS license. The spokeswoman said the company needed extra time to analyze its position and evaluate the business case for going forward with the bid, given the shaky state of its partnership with the Argentine companies. But AT&T followed the rules outlined by the Secretariat for seeking an extension, and other bidders had made similar requests, she noted.

BELLSOUTH SAYS OSS SYSTEM MEETS ACT'S MANDATES, DISPUTES AREAS OF FCC RULING ON AMERITECH BID

As the company puts the final touches on applications for interLATA (local access and transport area) entry in South Carolina and Florida, BellSouth Telecommunications, Inc., officials today demonstrated for reporters and financial analysts the electronic interfaces for competitors to access its operation support systems (OSS). During the demonstrations in Washington, BellSouth officials insisted their OSS systems meet the standards required by the Telecommunications Act of 1996. But they

acknowledged that the OSS systems do not seem to meet all the standards that the FCC outlined in its order rejecting Ameritech-Michigan's application for in-region interLATA market entry (TR, Aug. 25).

The BellSouth OSS demonstrations today followed similar presentations for FCC officials yesterday. Another demonstration session has been laid on for congressional staff tomorrow. BellSouth plans to file an application for in-region interLATA services in South Carolina around Sept. 23 and a similar application for service in Louisiana sometime in October.

BellSouth allows competitors to place orders in three ways, through its World Wide Web-based "local exchange navigation system" (LENS), through an EDI (electronic data interchange) machine-to-machine interface, and through orders forwarded by fax. The LENS system supports full ordering and pre-ordering functions and was designed particularly for use by smaller carriers, BellSouth officials explained. The EDI interface also can be used for ordering service and meets all relevant industry standards.

Combined, the systems can handle 10,000 orders per day regionwide, which is at least 10 times the number normally received by BellSouth, said Bill Stacey, assistant vice president-interconnection services. He reported that BellSouth received 697 orders yesterday. The system was designed to handle twice as many orders as competitors have told BellSouth that they expect to have, Mr. Stacey said, and, if necessary, its capacity can be doubled within two weeks, he said.

Although they insist that the system meets the requirements of the Telecommunications Act, BellSouth officials acknowledged that it may fall short of what the FCC believes is necessary to meet the Act's "competitive checklist" requirements for interLATA entry. Mr. Stacey said there are a few areas of the FCC's decision rejecting the Ameritech application that BellSouth disputes--particularly the requirement of machine-to-machine interfaces for pre-ordering functions. BellSouth's OSS doesn't have that capability, but BellSouth officials said they still hope to convince FCC to approve their applications. "The facts in our application are different than those in Ameritech's application," said Jim Llewellyn, BellSouth general attorney. "We think the facts show that we are in compliance with the Act."

Competitors were quick to criticize the system. In fact, they launched their attacks before today's scheduled briefings for reporters and analysts. Yesterday, MCI Telecommunications corp. said the demonstration OSS interfaces "look pretty slick" but are much slower and more limited than the internal systems actually used by BellSouth. Kathy Pounds, MCI director-law and public policy, Southeast region, told reporters during a conference call that MCI was able to inspect BellSouth's internal system at the insistence of regulators in Florida.

The inspections demonstrated that BellSouth isn't providing "parity" of systems, as is required by the Act and the FCC's rules, Ms. Pounds said. LENS restricts orders to six phone lines, which limits its use for business customers. Ms. Pounds also said it allows only limited ordering of unbundled network elements, provides inadequate error-checking capabilities, and fails to give full access to customer information, as required by state arbitration orders. AT&T Corp. also released a list of complaints about the systems, criticizing their lack of performance data and charging that the system is "unstable" because of constant changes, has only limited capacity, and supports only a limited list of services that can be ordered.

BellSouth officials also disputed other parts of the FCC's ruling on the Ameritech application, such as the requirement that the Bells "rebundle" unbundled network elements and the Commission's revival of the pricing standards that were rejected on jurisdictional grounds by the U.S. Court of Appeals for the Eighth Circuit in St. Louis (TR, July 21). BellSouth won't back off those positions in its interLATA applications, the officials said. Meanwhile, the New York Times reported today that state regulators are considering filing an appeal of the Ameritech decision with the Eighth Circuit, to attack provisions reviving the pricing standards that they believe fall under their jurisdiction. State regulators wouldn't comment on the report today. The Times said some Bell companies, among them BellSouth, were considering joining the challenge. BellSouth officials at the Washington OSS demonstration said no decision had been made yet whether to challenge the Ameritech decision.

GOODLATTE ENCRYPTION BILL TAKES ANOTHER HIT

Rep. Bob W. Goodlatte's (R., Va.) Security and Freedom Through Encryption (SAFE) Act, HR 695, took another beating today, as the House Permanent Select Committee on Intelligence adopted an amendment that industry officials said hews to the line of the FBI's mandatory key recovery program. Rep. Goodlatte's legislation may have dodged another bullet later today when the House Commerce Committee postponed a mark-up of the SAFE Act. The adjournment blocked Rep. Michael G. Oxley (R., Ohio) from introducing a domestic key recovery amendment of his own. Aides said the Commerce Committee would take two weeks to reschedule the markup so that members could "digest" the issues.

The text of the amendment added by the Intelligence Committee during its closed-door markup this morning was not available at TR Daily's news deadline. A statement released by the committee said the amendment calls for domestic and export restrictions on specific encryption technologies. Committee aides would not say whether the amendment originated from the FBI or from the White House. Its adoption brings the total number of House encryption bills to five.

In the Commerce Committee, meanwhile, House telecom subcommittee Chairman W.J. (Billy) Tauzin (R., La.) said, "I'd vote for it" when questioned by reporters about Rep. Oxley's amendment. The amendment does not mention a key recovery program directly but would permit immediate access to the plain text of encrypted communications "without the knowledge or cooperation of the person using such product or service." A markup that had been tentatively scheduled overnight was postponed this afternoon when Speaker of the House Rep. Newt Gingrich (R., Ga.) granted the Commerce Committee's request for a 30-day extension to "consider the merits of HR 695." A committee source told reporters that the committee is expected to report back in two weeks with a "compromise version" drawing elements from all five encryption bills.

PCS AUCTION RESCUE COULD COST \$6 BILLION, CBO SAYS

Unraveling the tangled skein of unpaid and likely unpayable debt owed by winning bidders in the "entrepreneurs block" auctions for PCS (personal communications service) licenses could cost the federal government as much as \$6 billion, the Congressional Budget Office said. CBO evaluated PCS auction debt issues with an eye toward how various resolutions now under consideration by the FCC would affect fiscal accounting.

"The growing likelihood of default. . . should be reflected by increasing estimated" future budget outlays to offset revenues the Treasury would lose, CBO said in a policy memorandum issued yesterday titled Impending Defaults by Winning Bidders in the FCC's C Block Auction: Issues and Options. "That increase is likely to be between \$4 billion and \$6 billion, depending on the details of the policy that is adopted and the market value of the licenses," it said.

The CBO study analyzed the budget effects of three ways of dealing with the PCS "entrepreneurs block" debt issue: (1) staying the course and weathering bankruptcy proceedings among some entrepreneur's block bidders; (2) renegotiating the license payment terms; and (3) arranging a return of the licenses for reauction. CBO did not choose among the three options but said that sticking to the current rules would be fair to all bidders and preserve the integrity of future auctions.

The bankruptcies likely to result from that course of action, however, could keep the licenses tied up for years and delay the benefits of PCS competition, CBO noted. Renegotiating the license payments would be unfair to many bidders and would cast a shadow over future auctions, but "the gains to consumers could be substantial," CBO said. The return-and-reauction option would be unfair to some bidders but would be less damaging to the incentive structure of future auctions than renegotiation. It also would speed the introduction of "C" block PCS service, the memorandum observed.

"How much might it be worth to have an early entry by the C block licensees into the PCS market? A simple estimate of the size of the benefits to consumers is \$5.5 billion," CBO said. "That estimate assumes that the C block licensees enter a \$35 billion market for mobile telephone services in 1998, that they lower prices by 5% three years earlier than any other alternative, and that consumers do not change the quantity of their purchases. A higher estimate of around \$7 billion results from a more sophisticated approach," it added.

BILL WOULD CRIMINALIZE CELL PHONE CLONING GEAR

Legislation introduced today by wireless phone fraud victim Rep. Sam Johnson (R., Texas) would make possession of cell phone cloning equipment and software a federal crime. The Wireless Telephone Protection Act enjoys support from the Clinton Administration and a bipartisan coalition of House and Senate members. Its backers expect a House markup, or amendment session, within a month, and passage through the House and Senate later this fall.

Rep. Bill McCollum (R., Fla.), chairman of the House Judiciary Committee's subcommittee on crime and a co-sponsor, held a hearing today at which federal law enforcers and cellular industry executives joined in calling for action to stem cell phone fraud. The hearing drew few committee members. But three TV camera crews were on hand to record a demonstration of cloning carried out by Secret Service Agent Mary Riley. Rep. McCollum expressed surprise as he accepted a hastily cloned handset from Riley and immediately dialed the number of another Secret Service Agent in the hearing room. Scanners and "copycat boxes" displayed at the hearing, similar to those used by illegal cloners, were functioning as witnesses testified. In less than an hour, they were able to snatch dozens of cell phone identification codes from the ether, Agent Riley said.

Rep. Johnson had been the target of a cell phone fraud scheme last year outside Dallas/Fort Worth International Airport. "I was faced with over \$6,000 worth of illegal calls on my bill," he said in a statement today. "This is a serious problem for cell phone users and especially telecommunications businesses who have to take a hit for these unpaid charges."

HUNDT TAKES SWIPE AT SBC CHALLENGE OF TELECOM ACT

FCC Chairman Reed E. Hundt has taken another swipe at SBC Communications, Inc.'s constitutional challenge of the line-of-business restrictions that the Telecommunications Act of 1996 continued to impose on the Bell operating companies (TR, July 7). In an address to students at the George Washington University Law School in Washington yesterday, he questioned the legality and fairness of SBC's lawsuit, in light of its efforts

to persuade Congress to pass the telecom legislation.

It was not the first time Mr. Hundt--an antitrust lawyer before he accepted the Commission post--had criticized SBC's lawsuit for skipping over the history that led Congress to include the restrictions on Bell operating companies. In an address last month at the American Enterprise Institute for Public Policy Research in Washington, he recalled that the Bell companies at one time had urged that Congress include language to lift the line-of-business restrictions three years after enactment of the telecom legislation (TR, Aug. 18), which would not have been until February 1999.

In his speech yesterday, Mr. Hundt observed that the restrictions that SBC is challenging "replaced the famous, long-standing antitrust consent decree that barred the local Bell telephone companies from the long distance business. . . It should be remembered that SBC persuaded Congress to dissolve the antitrust consent decree and allow it to enter the [in-region, inter-LATA (local access and transport area)] long distance business when the FCC judged, on a state-by-state basis, that it's local telephone markets were open. . . Having used the 1996 Act to its benefit in escaping the consent decree, in equity, law, and common sense, is SBC now estopped from attacking the constitutionality of the selfsame 1996 Act's requirement that it open its local telco markets to competition before it's allowed to get into the long distance business," Mr. Hundt asked rhetorically.

An SBC spokesman said compliance with the Act's requirement that SBC open its local exchange markets "is not part of this suit" and termed "unfortunate" Chairman Hundt's "mischaracterization" of the issues. "What we're challenging is a very precise section of the law," he stressed. SBC objects to the Act's imposing several market entry restrictions, including the in-region interLATA services market entry ban, solely on the Bell operating companies, he said. "We are not seeking to evade any of the other requirements to open our markets to competition," he added.

He said SBC, in fact, will have a total of about 4,000 employees assigned to various jobs "required to open our markets and promote competition."

PROGRESS REPORTED IN INTELSAT RESTRUCTURING WORKING GROUP

Members of Intelsat's working party on restructuring have made significant progress in talks on the possible ownership structure of a proposed "Inc." spin-off, sources told TR today. In a three-day meeting that ended yesterday, the working group made headway on the contentious ownership issue, although no final decision was reached, a U.S. source said.

The U.S. government began last spring to exhibit some flexibility

in its position on restructuring (TR, April 21). Initially it had proposed that the spin-off result ultimately in 80% nonsignatory ownership of Inc. Rather than emphasizing any "mandatory sell-down" of signatory ownership, the discussions this week centered on ways to allow "natural dilution" of signatory ownership through a public offering, or by allowing signatories to sell their shares, source's said. In tandem with the natural dilution approach, there would be an "ex post facto" review sometime after the Inc. spin-off. It would be determined at that time whether the ownership structure was leading to anticompetitive problems and whether changes in ownership would solve those problems, the sources said.

Restructuring issues now will be taken up by the Intelsat Board of Governors, which begins a meeting in Washington tomorrow that is scheduled to last through the weekend. On the question of transferring assets, the board is expected to give the working party some guidance on the number of satellites to be spun off to Inc. The numbers now being discussed range from three to six, sources said.

HUGHES GETS \$1 BILLION MIDEAST SATELLITE CONTRACT

Thuraya Satellite Telecommunications Co. of Abu Dhabi, United Arab Emirates, today announced a turnkey construction and launch contract with Hughes Space and Communications International, Inc., for a \$1 billion geostationary satellite system to provide mobile telephone services in the Middle East, North Africa, Eastern Europe, central Asia, and the Indian subcontinent. Hughes will provide two high-power satellites, ground facilities, and mobile phone handsets. The first satellite is scheduled to be delivered in 31 months to enable Thuraya to begin operations in the year 2000. The second satellite would serve as a ground spare that will be launched later, and the contract includes an option for a third satellite. Thuraya is a private joint stock company whose ownership is shared by more than a dozen postal and telecommunications administrations, carriers, and investment groups from Middle Eastern countries.

BUREAU GRANTS APPLICATIONS OF KDD AFFILIATE

The FCC's International Bureau today granted two international service applications by KDD America, Inc., that had become trade bargaining chips in negotiations between the governments of the U.S. and Japan. In a public notice, the bureau other applications filed by KDD America and the U.S. affiliate of Nippon Telegraph and Telephone Corp. must be handled under more stringent regulatory procedures that require a "written order" from the Commission. Earlier this week, executive branch policy-makers had informed the Commission that the Clinton administration no longer objected to prompt action on the applications. That move to lift the informal hold entered

previously at the administration's request followed an agreement between Japanese and U.S. negotiators to move forward on the underlying trade dispute.

Under streamlined regulatory procedures, the bureau today authorized KDD America (1) to provide service "to all international points except Japan, Belgium, France, Hong Kong, Mongolia and Russia," and (2) to resell noninterconnected private line services to Belgium, France, and Hong Kong.

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Editor: George E. Brandon
Associate Editor: Ryan Oremland
Editor in Chief: Victoria A. Mason
Chairman and CEO: John G. Roche
President: David B. Francis
1333 H Street, NW, 1st Floor-East Tower, Washington, DC 20005
Editorial information: Telephone: (202) 842-3006
Fax: (202) 842-3047
Email: gbrandon@tr.com

Customer Service: Telephone: (202) 842-0520 (800) 822-6338
Fax: (202) 842-3023
Email: customerservice@tr.com

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1 A. The ones that are shown parenthetically
2 as resale guide or facilities guide.

3 Q. That's what used to be called the ROG and
4 in FOG affectionately?

5 A. I don't think I would call it that.

6 Q. The Resale Ordering Guide and the
7 Facilities Ordering Guide, I think; is
8 that correct?

9 A. Yes.

10 Q. So you are not aware of what a CLEC
11 Implementation Guide is?

12 A. I'm not sure what this document is
13 referring to.

14 Q. Now, I see on the chart that you first
15 used this morning, Exhibit GC-1, you list
16 LENS having been available since April of
17 1997; is that correct?

18 A. Yes.

19 Q. And there have been several changes to
20 LENS since the end of April?

21 A. Yes.

22 Q. And as I understand it, there are changes
23 planned to LENS all the way to the end of

1 the year; is that correct?

2 A. Yes. Primarily for the ordering
3 functionality in LENS.

4 Q. Has BellSouth provided any notice to
5 CLECs of what those changes would be to
6 the end of the year?

7 A. I know there's been correspondence
8 between AT&T and the BellSouth project
9 manager about those.

10 Q. Do you know has BellSouth provided a list
11 of anticipated changes to LENS to the end
12 of the year?

13 A. I don't know.

14 Q. Let's talk a little bit about LENS
15 itself. If I'm using LENS as a
16 pre-ordering tool, I know that there are
17 two modes of LENS: There's an inquiry
18 mode and there's a firm order mode.
19 Which mode would I use in LENS to do
20 those pre-ordering functions?

21 A. You could use either.

22 Q. Take a specific example: If I want LENS
23 to calculate a due date, would I use the

1 that provide the same underlying
2 information, because in both cases you
3 have real-time interactive access to
4 those data bases. You have access to the
5 information in substantially the same
6 time and manner.

7 Q. But there's no data in the record to be
8 able to substantiate that the access is
9 provided in the same time, is there, or
10 manner?

11 A. Well, in terms of the actual measurements
12 of how many seconds or tenths of a second
13 might be involved, no. In terms of what
14 I think of in the same time and manner,
15 we're talking about if a BellSouth
16 service rep is on the phone with a
17 customer, there are certain things that a
18 customer expects to hear from a service
19 rep in the course of that contact. They
20 want to know if they're ordering new
21 service; they want to know what their
22 telephone number will be; they want to
23 know what features and services are

1 available to them; they want to know when
2 their service might be installed. And
3 all of that information is available on a
4 real-time interactive basis.

5 Now, that information is woven
6 throughout a sales contact that covers
7 other topics, and the overall sales
8 contact can be fairly lengthy. So to me,
9 the fact that you can get real-time
10 interactive access to that information
11 while you are talking to the customer and
12 give that information to the customer in
13 the same time and manner as we can is
14 what's important rather than whether
15 there's a tenth of a second or
16 five-tenths of a second or whatever any
17 difference might be.

18 Q. So is it your position then that simply
19 by building the interface that guarantees
20 that the access is nondiscriminatory and
21 in the same time and manner that
22 BellSouth has access?

23 A. Yes, by providing real-time interactive

1 access to the data base you have
2 real-time interactive access in the same
3 manner that we do. And then the CLEC can
4 serve their customer in substantially the
5 same time and manner that we can.

6 Q. So is it your position that the
7 Commission does not need to perform its
8 measurements to be able to verify that
9 the access is being provided in the same
10 timely manner?

11 A. I guess performance measurements in the
12 sense that you're talking about are
13 outside the scope of my testimony,
14 because I've never really thought about
15 that particular question. But I feel
16 confident in saying that by giving
17 real-time interactive access to the same
18 data bases from which BellSouth obtains
19 its pre-ordering information, so that it
20 can provide that information over the
21 course of a customer contact, that we are
22 allowing the CLEC to serve their
23 customers in substantially the same time

1 and manner we do and that they therefore
2 have a meaningful opportunity to compete.
3 That's my understanding of what's
4 required.

5 Q. I just want to make sure I understand.
6 You say that performance measurements are
7 outside the scope of your testimony, so
8 if I were to ask you a series of
9 questions about how long it takes to do a
10 certain task in RNS or SONGS versus how
11 long it would take to perform that task
12 in EDI or LENS, you wouldn't be able to
13 answer that question?

14 A. Only in general terms by saying that in
15 both cases the access is real-time and
16 interactive. But I can't tell you in
17 terms of seconds.

18 Q. And you can't tell me those times are the
19 same for BellSouth's service reps as they
20 would be for a CLEC service rep?

21 A. No. And again, I think that the
22 requirement is that a CLEC be able to
23 serve their customers in substantially

1 BellSouth is doing; is that correct?

2 A. It has undergone some changes since it
3 was implemented.

4 Q. Okay. And as I understood your testimony
5 earlier, the CLEC community is notified,
6 either through the LENS user conferences
7 or the account team, of any updates?

8 A. Yes. Excuse me. I need to append my
9 previous answer. Most of the changes
10 that are occurring in LENS are adding or
11 enhancing ordering capabilities. There
12 aren't very many changes that I'm aware
13 of going on with the pre-ordering
14 capabilities of LENS; and, yes, changes
15 are communicated either through CLEC
16 conferences or updates to the
17 documentation, or there's -- in LENS,
18 itself, there's a section called "release
19 notes" that provides information about
20 changes that have been made.

21 Q. Does BellSouth have a process in place
22 that gives CLECs certain -- a process
23 that relates to how much advanced notice

1 CLECs would have for upcoming updates to
2 LENS?

3 A. I don't know that that's been formalized,
4 if you will. Our effort has been to
5 accommodate requests from CLECs for
6 changes that they would like to see made
7 and to try to do those as expeditiously
8 as possible. If there's a particular
9 change that a CLEC really wants to have
10 made, we don't want to hold that off
11 until some distant point in the future.
12 So we've been trying to enhance as we go
13 forward, but at some point, I think that
14 a formal schedule would be established.

15 Q. Is there a formal schedule for notifying
16 CLECs of the changes, though? Like two
17 weeks before an update is made, all CLECs
18 are notified of the change, of the
19 pending change?

20 A. I'm not aware that that's been
21 implemented across the account teams, but
22 I can't say that there isn't one. I
23 can't say that there is.

1 Q. You stated that RNS also goes through
2 changes and updates. When BellSouth
3 implements changes in RNS, what internal
4 notification does BellSouth give
5 regarding any RNS changes?

6 A. The service reps using the system will
7 get what's analogous to the release notes
8 in LENS; that is, they'll get on-line
9 information about changes that have been
10 made, and there's time set aside for them
11 regularly to go in and look at those
12 changes and become familiar with them.

13 Q. And how much advance notice does the
14 BellSouth representative or
15 representatives get -- well, just how
16 much advance notice do they get when an
17 update is made?

18 A. I don't know.

19 Q. You had an exhibit when you gave your
20 summary relating to the capacity of --
21 the ordering capacity of LENS and EDI?

22 A. Yes.

23 Q. Would I understand on EDI, currently

1 absolutely no bearing on the ALEC's
2 ability to serve its customer in
3 substantially the same time and manner as
4 BellSouth, are you presupposing that the
5 LCSC will operate at the same level of
6 efficiency and proficiency as, say, the
7 data service center?

8 A. Yes.

9 Q. Are you familiar with the quality of
10 service provided by BellSouth's LCSC?

11 A. No. The operations of the LCSC really
12 are kind of getting beyond the scope of
13 my testimony. My testimony focuses on
14 the functionality associated with the
15 interface and how that compares with
16 BellSouth's retail interfaces.

17 Q. But you are testifying that orders
18 processed through the LCSC will not
19 differ in quality and will be in parity
20 with services provided of the internal
21 processes to BellSouth's end-user
22 customers?

23 A. Actually, I think you're kind of taking

1 what I've said here and moving it
2 somewhat out of context and expanding on
3 it a bit. What I've said here is that
4 when you have a protracted pre-ordering
5 and ordering process associated with a
6 complex service, that weeks or months
7 after the fact of the initial negotiation
8 with the customer is typed by one party
9 versus the other doesn't affect the
10 end-user customer's experience of placing
11 that order, especially when compared with
12 a basic residential service kind of
13 scenario in which that transaction may
14 occur over the course of half an hour or
15 so.

16 Q. Ell, then would you agree or disagree
17 with the statement that the quality of
18 service provided by the LCSC will affect
19 the ordering -- the ordering standards
20 provided by BellSouth for ALECs vis-a-vis
21 retail customers?

22 A. Yes, certainly, that is one part of the
23 quality of overall service.

1 Q. Are you in a position -- I'm sorry. Let
2 me ask this, are you aware of any
3 performance studies of the LCSC?

4 A. Not of anything recent.

5 Q. Are you aware of anything not recent?

6 A. I think at the beginning of the year
7 there was some sort of study done
8 evaluating the performance of the LCSC,
9 and that's the only thing which I'm aware
10 of.

11 Q. Are you aware of -- can you give me any
12 details about that study? Was it
13 conducted internally, externally, who did
14 it?

15 A. I believe it was done by an external
16 consultant. I don't have a lot of
17 details of it. It's not something that
18 is particularly related to the electronic
19 interfaces. My understanding of the
20 study -- and, again this is going back
21 towards the beginning of the year -- was
22 that we wanted to evaluate the operation
23 of the LCSC. We found some areas in

BellSouth EDI Performance
August 9, 1997 through October 7, 1997
Intermedia Communications Inc.
October 8, 1997

Total Orders Submitted (Region):	552
Firm Order Commitments Outstanding* (Region):	204
Percentage of Total Firm Order Commitments Outstanding (Region):	37%

South Carolina Orders Submitted:	16
Firm Order Commitments Outstanding (SC):	4
Percentage of Total Firm Order Commitments Outstanding (SC):	25%

***BellSouth Commitment for Firm Order Commitment is 48 Hours.**

BellSouth EDI Performance
August 9, 1997 through October 7, 1997
Outstanding Order Breakdown*

Date	Orders Outstanding
August 9, 1997	1
August 25, 1997	3
August 27, 1997	1
August 29, 1997	4
Total Outstanding August	9
September 2, 1997	1
September 3, 1997	3
September 4, 1997	1
September 5, 1997	1
September 8, 1997	4
September 9, 1997	8
September 10, 1997	5
September 11, 1997	2
September 12, 1997	1
September 15, 1997	23
September 16, 1997	13
September 17, 1997	5
September 18, 1997	5
September 19, 1997	1
September 22, 1997	1
September 23, 1997	20
September 24, 1997	1
September 25, 1997	8
September 26, 1997	3
September 29, 1997	16
September 30, 1997	1
Total Outstanding September	123
October 1, 1997	16
October 2, 1997	30
October 3, 1997	26
Total Outstanding October	72